House of Commons
Defence Committee

Future Army 2020:
Government Response
to the Committee's
Ninth Report of
Session 2013–14

Seventh Special Report of Session 2014–15

Ordered by the House of Commons
to be printed 10 September 2014
Defence Committee

The Defence Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Ministry of Defence and its associated public bodies.

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The following Members were also members of the Committee during this inquiry.

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The current staff of the Committee are James Rhys (Clerk), Leoni Kurt (Second Clerk) Karen Jackson (Audit Adviser), Eleanor Scarnell (Committee Specialist), Ian Thomson (Committee Specialist), Christine Randall (Senior Committee Assistant), and Rowena Macdonald and Carolyn Bowes (Committee Assistants).

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Seventh Special Report

The Defence Committee published its Ninth Report of Session 2013–14 on Future Army 2020 on 6 March 2014. On 30 May 2014 the Committee received a memorandum from the Government, which contained a response to the Report. On 25 June 2014 the Committee wrote to the Government requesting a revised and expanded response. The Government’s revised response was received on 12 August 2014. This is appended as Appendix A. Correspondence from the Secretary of State for Defence regarding the cost effectiveness of recruiting under-18s is appended as Appendix B.

Appendix A: Government response

The Government welcomes the House of Commons Defence Committee’s inquiry ‘Future Army 2020’ and the findings set out in the Committee’s report (HC 576), published on 6 March 2014.

Our formal response to its recommendations and conclusions is set out below. The Committee’s headings and findings are highlighted in bold, with the Government’s response set out in plain text. For ease of reference, paragraph numbering in brackets refers to the order in which they are presented in the Committee’s Report.

Following what was known as the “three month exercise”, the Chief of the General Staff (CGS) was given broad freedoms to structure the Army as he saw fit within the limits of around 82,000 regulars and 30,000 trained reserves.

Upon completion of this analysis, CGS discussed his revised Force Structure with the Defence Board and, subject to a number of caveats such as the successful delivery of the New Employment Model, confirmed that the outputs required of the Army were achievable, with a level of risk which was judged acceptable by the Board. The revised Force Structure is now known as Army 2020.

1. At the beginning of our Report, we wish to pay tribute to Army personnel, including those who have left the Services, for their bravery, dedication to duty and their contribution to the nation’s security. This has been an uncertain and worrying time for the Armed Forces as they undergo major changes to their structure and role while continuing to undertake operations in Afghanistan and other parts of the world. We also recognise the valuable role that their families play in supporting them as they carry out their duties. (Paragraph 6)

We welcome the Committee’s recognition of Army personnel, past and present, who give so much to the nation. We also recognise the contribution made by families who provide support to our serving personnel. These have been uncertain times but, as we expected, our personnel and their families have coped with the uncertainties very professionally and in a way that can only reflect credit and respect. As we move forwards towards 2020 the many improvements and benefits which this Government has initiated for our Armed Forces will be realised, providing stability and certainty for our people.
2. We are surprised that such a radical change to the Army’s structure, reflecting a reduction of 12,000 personnel from that announced in SDSR 2010, was not discussed at the National Security Council (NSC). Even if the overall strategic vision had not changed, as the Government claims, the military ways and means of that strategy were considerably altered under Army 2020. We are firmly of the view that the NSC should have considered the Army 2020 plan. We recommend that the NSC should be involved in the evolution and development of Future Force 2020 in the run-up to the next SDSR in 2015. (Paragraph 15)


The National Security Council guided, discussed and endorsed the 2010 National Security Strategy and Strategic Defence and Security Review. In so doing, the NSC set the UK's overarching strategy and directed individual government departments to implement their respective elements within an agreed resource envelope. The Future Reserves and Army 2020 initiatives were developed in accordance with this direction, in order to transform and deliver effective Armed Forces able to meet the UK's future security and defence needs.

Departments have a range of mechanisms available for consulting across Government, including the National Security Council. In adjusting the Regular-Reserve balance and in determining the future scale and range of tasks for the Reserve Forces, the Government was broadly guided by an Independent Commission. The Future Reserves 2020 consultative Green Paper, published in November 2012, recognised the Commission's findings and also considered the wider implications of this initiative. The Green Paper was endorsed by the National Security Council. Army 2020 did not change the strategic direction agreed by the National Security Council in the Strategic Defence and Security Review.

3. We have received no definitive evidence of an active experimentation programme in the development and implementation of Army 2020. Furthermore we note with concern that the Chief of the General Staff’s update on the implementation of Army 2020, published in July 2013, provided no detail on experimentation. The MoD should set out in more detail, with specific examples, how the plans for Army 2020 were, and are, being tested and challenged. (Paragraph 26)

The Strategic Defence and Security Review of October 2010 mandated a Regular Army of 94,000. An understanding of the affordability and capability had been achieved through analysis conducted during the Strategic Defence and Security Review. The three month exercise then took guidance from the National Security Council and developed eight indicative force structure options that were shaped around the ‘Adaptable Britain’ posture and were therefore in line with the Strategic Defence and Security Review baseline. These eight options were tested against a wide range of scenarios, including those used during the Strategic Defence and Security Review, which aligned to National Security Council priorities, including Standing Tasks, War-fighting and Non-Warfighting Scenarios, both contingent and enduring in nature. These Force Structure options were put forward to a senior judgement panel chaired by the Vice Chief of the Defence Staff, and were deemed as achieving the requirements of an Adaptable Britain posture (i.e. the ability to conduct UK
standing commitments and expeditionary operations concurrently with a stabilisation operation), with varying levels of risk.

The Senior Judgement Panel concluded that the eight force structure options took too much risk and therefore selected a ‘hybrid option’ based on a Regular Army of 82,000. Following this conclusion, and in line with the Independent Commission on Reserves recommendation for a Reserve force of 30,000, the Chief of the General Staff was invited to design a structure for the Army with an 82,000 Regular and 30,000 Reserve Force that was capable of meeting the requirements of the ‘Adaptable Force’ posture. This structural analysis was undertaken on behalf of the Army 2020 Design Team by the Defence Science and Technology Laboratory, who ‘stress-tested’ the proposed force structure by examining whether or not it contained the capability required for what was envisaged to be the most challenging sequence of operations that could reasonably be anticipated, namely a divisional-level ‘best effort’ scenario, followed by an enduring brigade-level stabilisation operation. In essence, this involved a UK division operating as part of a coalition against a near-peer state adversary, and a UK brigade operating as part of a NATO coalition in a complex environment against a quasi-state threat. The use of scenarios based around Defence Planning Assumptions has been the manner in which the Department has tested its force structure capacity for many years.

Further testing of the new structure has occurred through a series of exercises that have, and continue to, test concepts from Division to platoon level. This process is ongoing, with a great deal of activity planned for the remainder of this year and into 2015.

While experimentation is important, it is only one element which contributes to analysis and judgement. Army 2020 was informed by AGILE WARRIOR, the Army’s experimentation programme, which seeks to provide applied concepts, direction and coherence to the Capability Directorate’s planning activity through a number of bespoke programmes for Future forces (5 – 20 years) and Conceptual forces (15 – 30 years). These programmes are designed to be dynamic and to shift in priority and emphasis according to developing themes or concepts.

Informing all programmes is the annual Army Future Land Conceptual Wargame cycle. Designed to identify capability requirements beyond the funded programme, it will use outcomes as evidence to drive future force design and inform the direction of each individual programme. The process is ongoing with a great deal of activity planned for the remainder of this year and into 2015.

In different circumstances it might have been possible to convene a series of judgment panels across the lower echelons of the Army which would have advised and influenced the Army 2020 design. A judgment was made to not do that, however, to avoid playing out in public, debates affecting future cap badges. At a time when the Army was committed on operations, this was considered inappropriate. The Army is now operating the most sophisticated lessons learned process that it has ever had, based on that used by the United States Army. All of these features played into the design of Army 2020, as did the Future Character of Conflict doctrinal work which was based on defence level experimentation and judgement panels.
The Army also used the experience of operations in both Iraq and Afghanistan to advise the development of the Army 2020 design.

4. We note that the Secretary of State for Defence accepts that Army 2020 was designed to fit a financial envelope. We are concerned that this consideration took primacy over the country’s abilities to respond to the threats, risks and uncertainties contained in the National Security Strategy. We were also concerned to hear that it was the Ministry of Defence’s Permanent Secretary who told the Chief of the General Staff the future size of the Army under the Army 2020 plan. We call on the MoD to explain the apparent lack of consultation and involvement of the Chief of the General Staff in the decision-making process that has affected his Service so fundamentally. (Paragraph 32).

Various options to restructure the Army around a smaller number of Regular soldiers had been explored both in work leading up to the Strategic Defence and Security Review and in subsequent work. In particular, the work carried out subsequent to the Strategic Defence and Security Review, which was designed to deliver value for money by ensuring that the Defence programme (including the Army manpower element) was delivered within the available budget, was overseen by a tri-Service Senior Judgement Panel chaired by the then Vice Chief of the Defence Staff, General Houghton. The panel also included senior military staff from the Department’s Head Office. The Chief of the General Staff was represented on this panel by the Assistant Chief of the General Staff. These panels are a well established and rigorous method of making military capability judgements, where risks and benefits are robustly challenged and debated. They were used throughout the Strategic Defence and Security Review to give advice to Ministers on alternative approaches to the delivery of military capability and are a standard method of taking judgements about how best to deliver the required military capability within resource limits. This is precisely what the Senior Judgement Panel did in examining eight options for delivering an Army of the future—to the extent of determining that all of the initial solutions identified carried too high a level of risk. Consequently a hybrid option was designed and recommended and it was this option which was selected by the Department, and which the Army is now delivering. The Army, at the most senior levels, was therefore represented throughout the development of the plans, including by the CDS who, like the VCDS, was also an Army officer. That it was the Department’s Permanent Secretary who informed the Chief of the General Staff of the decision is a matter of record. The Permanent Secretary is the Government’s principal civilian advisor on Defence policy and the size of the Army is a matter of Defence policy. In addition, as the Department’s Accounting Officer, charged with ensuring the affordability of the Defence Programme, it is only proper that the plans should involve a significant role for the Permanent Secretary.

5. In its response to this Report, we recommend that the MoD provide us with an assessment of how the Army 2020 plans will affect the “Fighting Power” of the Army providing comparable assessments of both current fighting power and projected fighting power following the completion of the Army 2020 plans. (Paragraph 34).

The Strategic Defence and Security Review 2010 derived Defence Planning Assumptions stipulated the Army’s requirement to maintain appropriate levels of ‘Fighting Power’ to meet agreed operational commitments. Defence Planning Assumptions require the Army to be capable of conducting an enduring (more than six months) stabilisation operation at around brigade level, while, at the same time, conducting two smaller scale non-enduring
operations; or of conducting three non-enduring operations; or, at best effort, conducting a non-enduring operation of up to three brigades within a divisional context. These commitment and concurrency levels set in the Strategic Defence and Security Review remain unchanged. The Army 2020 force structure is able to deliver these concurrency levels.

Under Army 2020, Regular units will continue to provide the majority of the units required for small scale deployments, but some specialist elements, such as medics, could still be drawn from the Army Reserve. Enduring brigade level commitments will require an increased contribution from the Army Reserve. In a five brigade roulement cycle, the Army’s Reaction Brigades, who would be expected to deploy on the first three roulements, would require up to 14% their strength to be made up of Army Reserve personnel. The Adaptable Force would be expected to complete roulements four and five, and these Brigades would require up to 34% of their force elements to be drawn from the Army Reserve.

6. We agree with the Chief of the General Staff’s assessment that the security threats that the UK will face in future are uncertain. We remain to be convinced that the Army 2020 plan represents a fully thought-through and tested concept which will allow the Army to counter emerging and uncertain threats and develop a contingent capability to deal with unforeseen circumstances. The MoD needs to justify how the conclusion was reached that the Army 2020 plan of 82,000 Regulars and 30,000 Reserves represented the best way of countering these threats. We ask the MoD to clarify if the proposals were fully considered by the Defence Board before the decision was made. (Paragraph 41).

The background to the decision that the Army would comprise 82,000 Regular personnel and 30,000 Reserves has been covered in the answer to Q3 above. The proposals were not considered by the Defence Board as they flowed directly from National Security Council guidance before being considered by the Senior Judgement Panel (which was a consequence of the three month exercise) and were therefore in line with the Strategic Defence and Security Review.

After the SJP process, the Chief of the General Staff (CGS) was then given broad freedoms to structure the Army as he saw fit within the hybrid structure. Upon completion of this analysis, CGS discussed his revised Force Structure with the Defence Board and, subject to a number of caveats such as the successful delivery of the New Employment Model, confirmed that the outputs required of the Army were achievable, albeit with some risk which was judged acceptable and agreed by the Defence Board.

7. We repeat our previous recommendation that the Government should further develop a concept of “critical mass” for the Armed Forces. We note that this is a concept not only used by the Army General Staff, but also one that the new Chief of the Defence Staff used in a recent speech. The development of a concept of “critical mass” for the Armed Forces, coupled with an assessment of the Army 2020 plan against the MoD’s “Fighting Power” doctrine, would enable a much better informed understanding of whether Army 2020 will enable the Army to fulfil its obligations and how it will contribute to Future Force 2020. (Paragraph 42).
The concept of “critical mass” can be misleading if it is not linked to Departmental outputs. Major General David Cullen, the Assistant Chief of the General Staff (ACGS), was clear in his evidence (HCDC Future Army 2020 Ninth Report of Session 2013-14, Volume 1 Oral Evidence 10 July 2013, Q105) that what he termed critical mass must be linked to outputs for the concept to have meaning. The MoD has an evidence-based process, Strategic Force Development, which tests whether the force structure (which includes manpower) delivers the outputs that the Department’s policy, informed by the National Security Council, requires. The Army has conducted Command Force Development which further tested the Army 2020 design to ensure it remains a balanced force that is fit for purpose. Army 2020 modelling and testing, and which has been described earlier in this response, has generated a balanced, adaptable and agile force. Measured against Defence Planning Assumptions, Army 2020 will deliver the currently mandated operational effect.

8. We note the acknowledgement by senior Army officers that the continuing operation in Afghanistan and the current high level of change in the Army will compromise its ability to respond to unexpected events to some degree. We also note that one of the drivers for the Army 2020 plan was the recognition that the Army could not match in resource-terms the five Multi-Role Brigade enduring operation envisaged in the Defence Planning Assumptions. In an ever changing world, with uncertain and ever changing threats, and continuing uncertainty about the resources available, we are concerned that the Defence Planning Assumptions are adequate to ensure the UK's national security. In its response to our Report, the MoD should explain what account was taken of the possibility of changes to the Defence Planning Assumptions during the development of Army 2020 and how it has ensured that there is sufficient flexibility in the plan and resources available to meet any such changes. The MoD must ensure that this is taken into account as part of the work on the 2015 SDSR and that contingency plans are in place to deal urgently with this eventuality. (Paragraph 48)

The Defence Planning Assumptions against which the Department examined various Force Structure options were set out in Strategic Defence and Security Review 2010. While Defence Planning Assumptions may undergo minor adjustments between Strategic Defence and Security Reviews, material changes outside of such reviews are rare. It would have been unrealistic for the Army to deliver a structure that was financially taut while also trying to anticipate future changes to Defence Planning Assumptions. Nevertheless, the innovative work conducted by the Army 2020 Study Team under Lieutenant General Carter has provided a more adaptable force structure and informed subsequent Defence Policy, in particular thinking on Defence Engagement and upstream capacity building.

The Department is now preparing for Strategic Defence and Security Review 2015 and will be appropriately placed to react to any Defence Planning Assumption changes.

9. Despite the current lack of public appetite, we consider it to be a question of when, not if, UK Armed Forces will have to undertake an expeditionary operation in the future. In this context, it is essential that the Army maintains its ability to undertake such operations at short notice. Any loss of such capability would have serious implications for the UK’s national security. Given that, on most occasions, these operations will be carried out in cooperation with the UK’s Allies, in its response to this Report we call on the Government to set out the current status of the UK-France Combined Joint Expeditionary Force. We also call on the MoD to provide us with an
update on progress on the development of the new UK Joint Expeditionary Force (JEF), including how it will train and operate and the extent to which appropriate multinational partners have proved willing to participate in JEF planning and activity. (Paragraph 52).

Development of a UK-France Combined Joint Expeditionary Force is progressing well. Both countries are focussing their exercise programmes to achieve Initial Validation of Concept in 2015 and Full Validation of Concept in 2016. Detailed planning for the two key exercises that will benchmark the interim and full capabilities is under way. Beyond 2016 the UK and France plan further investment in training and equipment to maintain an ability to respond rapidly and flexibly together in a crisis. This planning is, of course, subject to continued political commitment from both Governments.

The Joint Expeditionary Force achieved initial operating capability in April 2014. It will deliver a return to a contingent stance more quickly than previously identified in Defence policy. At its initial operating capability the Joint Expeditionary Force was able to deliver a range of operations from humanitarian assistance through to war-fighting interventions.

The Joint Expeditionary Force will train as it will operate—under a Joint Task Force Headquarters—with training carefully prioritised to ensure that specialist capabilities now managed by the Joint Forces Command (for example our specialist intelligence teams), are fully integrated with, and validated alongside, the most appropriate elements of the Joint Expeditionary Force.

The Joint Expeditionary Force will provide the UK with an expeditionary capability that is able to operate without a reliance on support from other nations’ forces, but it will also be configured to allow partner nations to plug easily into the construct as providers of additional capability. Multi-national partners attended a briefing day in February 2014. The UK is planning further workshops to develop plans to be able to integrate partners into the Joint Expeditionary Force. The next stage of Joint Expeditionary Force development is expected to be the signature of letters of intent by Allied Defence Ministers at the NATO summit in September.

10. The smaller Army envisaged under Army 2020 needs to be innovative in the ways it works with the other Services. We call on the MoD to set out in its response to our Report how Army 2020 will improve this joint working and how it has tested, or intends to test, the proposals. We also note Lieutenant General Bradshaw’s evidence regarding the Army’s greater integrated activity with other Government Departments and call on the Government to set out details of this in its response to our Report. (Paragraph 54)

Joint working has been at the heart of UK defence since the creation of a single Ministry of Defence in 1964. Today this philosophy remains at the heart of UK Defence. The Army has historically worked closely with the other Services as demonstrated by joint organisations, such as the Joint Helicopter Command and joint exercises and activities. Support to the other services and civilian agencies remains a core function of the Army, and UK Engagement at home and abroad is a key tenet of the Army 2020 Plan.

The Future Force 2020 and specifically the creation of Joint Forces Command, to which the Army contributes around 6,500 Regular and 600 Reserve troops, means that such
'jointery' and integration will need to continue and expand if, collectively, we are to provide the levels of support and service that are required. Liaison Officers within Government Departments, and Regional Liaison Officers supporting the Department of Communities and Local Government, have increased the Department’s ability to integrate with military and civilian services where appropriate. For example, at a policy level, Army representation on the cross-government Strategic Regional Implementation Group for Defence Engagement has reinforced Defence’s, and the Army’s profile. While on the practical level, the Armed Forces’ deployment to support the civilian emergency services during recent flooding in southern England demonstrated the importance and adaptability of the Services’ role in Homeland Resilience.

To test such operational scenarios, the Armed Forces routinely sponsor and participate in exercises with the key civilian agencies for UK focused emergency response operations.

11. It is disappointing that there was a year’s gap between the announcements of the Army 2020 plan and the outcome of the Reserves consultation and the Reserves basing plan. This raised the potential for a lack of coordination and hampered communications regarding the plans for the Regular and Reserve Forces. Even though the generation of Reserve Forces is complex, the number of Reservists required for Army 2020 and the challenge to recruit them was well known. We consider that the intervening time between announcements could have been utilised in making progress in recruiting the required number of Reservists. (Paragraph 59)

The Army continued to recruit in the year between the announcements, but we took the view that launching a major recruitment campaign for the Army Reserve ahead of clarity on the Reserve “offer”, as contained in the July 2013 White Paper—Reserves in the Future Force 2020: Valuable and Valued—and the structure and basing proposition would not provide the clarity necessary to encourage the right number of applicants with the rights skills and motivation to apply to join the Army Reserve. While we acknowledge the recruiting challenges that we continue to face, we are now recruiting members of the Army Reserve who have a clearer picture of what their future role and location will be as well as the terms under which they will serve. Restructuring the Army is a process that will run between now and 2020; the increase in the trained strength of the Reserves is planned to be delivered progressively between now and April 2019.

12. We note, but remain to be convinced by, the Secretary of State’s explanation as to why the reduction in the Regular Army should not be dependent on the recruitment of the necessary number of Reservists. The financially driven reduction in the number of Regulars has the potential to leave the Army short of personnel in key supporting capabilities until sufficient Reserves are recruited and trained. In its response to this Report, we call on the MoD to set out in detail its planning assumptions for the transition, over the next five years, to a new Army structure including specific examples of the different types of capability which will fall within the domain of the Reserves and Regulars in future. This would assist with gaining support for the Army 2020 plan among the Regular Army, the wider Armed Forces, Parliament and the public. The Government must also set out its contingency plans for the rapid recruitment of Regular Army personnel should there be a need for the rapid expansion of UK Armed Forces. (Paragraph 63)
The transition towards Army 2020 is already well underway. Good progress is already being made in transiting to new structures and all units have now been assigned to the new Reaction Force or Adaptable Force. As at June 2014, over 170 implementation orders have been issued for the structural changes under Army 2020; Regular and Reserve units have been paired, in line with the move to a fully integrated Army; and future unit locations have been confirmed, taking account of the return of units from Germany to the UK.

In addition, Headquarters Force Troops Command has formed in its new role and Headquarters 1(UK) Div and 3(UK) Div will commence their new roles from this autumn. Units will enter the new annual training cycle from 1 January 2015.

If not permanently committed to an enduring operation, the Army can be re-structured to allow graduated readiness. Some Regular forces will be required to undertake short-notice, high-readiness intervention tasks. This allows the remainder of the Army to be configured on an adaptable basis in a pool capable of undertaking standing commitments (such as Cyprus, the Falkland Islands, Brunei and Public Duties), as well as providing the ability to expand or adapt capacity and capabilities necessary to undertake the full range of other Strategic Defence and Security Review tasks. This approach routinely allows Army Reserves to undertake lower readiness roles in the force structure that would previously have been a Regular function. These include the following categories:

a) specialist capabilities that it is neither possible, necessary nor cost effective to employ full time (such as medical and cyber);

b) capabilities not requiring significant or complex collective training to maintain readiness (such as logistic roles in fuel support and transportation, some equipment support and the provision of medical services);

c) Longer-term institutional resilience, providing an essential ability to regenerate a larger Army in time of need.

The Army has made significant use of specialist Reserve capabilities (such as medical skills) on recent operations, but will increasingly depend on logistic support capabilities for enduring operations. The Combat Arms will provide Reserve units to supplement Regular combat units when they deploy. Mobilisation could be through the provision of individuals, platoons and companies. Regular combat units will not be permanently manned or established to their full operational strength. So, a Regular light infantry battalion will not be manned in peacetime to the expected operating model of around 750 personnel on deployment. Instead, and only when required, it could generate its fully manned requirement through a relationship with its paired Reserve light infantry battalion. For less complex tasks, a Reserve battalion could form the basis of the deployed unit, with its paired Regular unit providing augmentation.

The balance of capabilities between the Regular and Reserve components of the integrated Army has been based on a mix of readiness, likelihood of use and ability to prepare and generate those capabilities. While there is a gap between the reduction in Regular personnel and the growth of the Reserve, the requirements placed on the Army by the Defence Planning Assumptions allow for this.
Adaptability will afford the capacity to regenerate mass and scale if required in different strategic circumstances. By maintaining more, smaller units in the Adaptable Force rather than fewer, larger units, the Army has therefore provided the framework for rapid expansion in response to a major emerging threat to National Security.

The Army published a comprehensive update on the progress of transforming the British Army in July 2013\(^1\) and will publish further such reports as it continues to develop towards its Army 2020 size, scale and shape.

13. While a level of 30,000 trained Reservists in the Army might not appear a large number based on historic levels, the current recruitment drive takes place against a backdrop of falling recruitment levels over several years. We note the scepticism of some of our witnesses that it will be possible to recruit the required number of Reservists in the timescale envisaged. The urgent challenge for the MoD is to ensure that it now employs effective measures and sufficient incentives to recruit and maintain 30,000 trained Reservists by 2018. Otherwise there is a danger of a gap emerging in the Army’s required capabilities and real fighting power. In its response to this Report, we also call on the MoD to outline the different approaches it envisages if the data shows that the plan is not on course to be delivered. (Paragraph 69)

The Defence Secretary and the Chiefs are confident that the plan will be delivered. A number of measures have already been implemented in order to achieve the target of 30,000 trained Army reservists by April 2019.

As the previous Defence Secretary said in his evidence on 5 November 2013,

‘we are confident that we will meet the reserve recruiting targets, but if we found that we were not building the reserve force at the rate that was required, the Army would clearly have to review how it utilised the components of force that it had available in a way that delivered the military effect we require’.

In working towards the 30,000 target the Army, with its partner, Capita, has launched an attraction campaign including regular marketing surges to make it clear that the Army is recruiting; improved employer engagement; a simplified application process and streamlined medical process; financial incentives and a significant manpower surge to support recruiting at the local level. The Army is also working with Capita to target specific segments of the population such as students, women and Ethnic Minorities, all of whom have much to offer to, and gain from, the Army Reserve. We also recognise the importance of ‘gatekeepers’ in attracting young people to the Army Reserve.

The Army has also improved the recruiting process to smooth the pathway for recruits. These include streamlining the medical check process and the interface with GPs, making the application form smart phone and tablet-compatible and providing additional resources in the National Recruiting Centre.

Further to this, there is more involvement for Reserve units in the process—sponsoring and supporting recruits through the application process. Recruits are provided with a

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\(^1\) http://www.army.mod.uk/documents/general/Army2020_Report.pdf
uniform, participate in low level physical training and reimbursed for some expenses all of which engenders a feeling of ‘belonging’ prior to successful enlistment.

The Army is looking to make the initial training process for reserve recruits more coherent, acknowledging that these recruits have other demands on their time such as their permanent job and their families. We are applying as flexible an approach as possible.

14. We welcome the Secretary of State for Defence’s commitment to publish, through the Defence Analytical Services Agency, data on the trained strength and recruitment levels of Reservists. We also welcome the recruitment targets that the Secretary of State has published. We look forward to seeing the additional data that the National Statistician has agreed to publish. This information is vital to reassure all interested parties, the Army itself, Parliament and the public, that the plan is on schedule. We hope that each of these data sets will develop over time to include performance against targets and such information as gender, age and place of recruitment. We will continue to monitor this data to assess whether it provides sufficient information. It is important that Parliament is provided with regular updates on progress towards recruitment targets. (Paragraph 72)

Further to the National Statistician’s advice on what the Department may wish to consider publishing, Defence Statistics continue to progress with work in this area on behalf of the Ministry of Defence, with the aim of publishing further information on recruitment to both Reserve and Regular forces in 2014. Currently we are assessing the quality and availability of the data and once we are satisfied that this meets the requirements set out in the Code of Practice for Official Statistics, the Department will put forward proposals for the publication of recruitment statistics.

15. Despite the assurances we received from the Army commanders and Capita executives responsible for the Army recruitment process, we remain concerned that the targets for recruiting both Regular and Reserve soldiers may not be met. We are not convinced that the MoD’s contract with Capita was properly and thoroughly considered before its implementation. For example, we were given no evidence that any trialling of it had taken place. There would appear to have been a serious breakdown in the supervision of the contract process, for which no one has been held accountable. (Paragraph 78)

The MoD does not accept that there was a breakdown in the supervision of the contracting process. The contract with Capita was let in accordance with Departmental and Cabinet Office policy and was written using specialist external commercial and legal advice. The contract was also subjected to due diligence before it was signed. It is being managed through a robust governance process which involves high level engagement with the Capita Chief Operating Officer down to weekly meetings at the operational level.

Prior to contract signature the Capita recruiting process, which is based upon commercial best practice, was thoroughly evaluated by a joint team of Army and Capita recruiting staff along with specialist external advisors. Any subsequent changes to the recruiting process are tested prior to implementation.

In line with Departmental and Cabinet Office policy, it was agreed that the IT platform would be provided by ATLAS through the MoD’s Defence Information Infrastructure.
By late 2012 it was apparent that the hosting solution would not be delivered by ATLAS in time for the launch of the Recruiting Partnering Project in April 2013. This meant that Capita were unable to run the recruiting process as planned. As the Defence Secretary said on 14 January 2014 this was not a case of Capita failing to deliver—rather it was ATLAS that did not deliver the IT platform that would have allowed Capita to succeed. The IT delivery was closely monitored by the Army, which held weekly meetings with ATLAS to manage progress and delivery.

In December 2013, to mitigate the risk of further delay in the provision of the ICT hosting environment, the MoD contracted with Capita to supply the hosting solution and accompanying recruitment software. This is now expected to be launched in summer 2015.

The Army has been unable to reduce its payments to Capita on the basis of poor recruiting performance, since the requirement to supply the hosting environment was not part of Capita’s remit. Capita has, however, agreed to an interim performance regime, which is now in place.

16. **We are concerned at the IT problems encountered at this early stage in the recruitment campaign. We call on the MoD and Capita to take urgent steps to rectify these problems and the MoD should give a detailed account of the measures taken, including detailing the number of servicemen and women diverted from their normal duties in order to sustain the recruiting effort, in its response to our Report. (Paragraph 79).**

As the Defence Secretary set out in the House on 14 January (Official Report Column 715), we are taking steps to rectify the issues surrounding the IT problems of the Recruiting Partnering Project and to mitigate the effects.

The mitigation measures include the deployment of around 1,000 serving personnel under Op FORTIFY to support regional recruiting since mid-September 2013. These personnel have continued to undertake their normal duties for the majority of the time, but have been called upon as required to support regional recruiting. As such, they will not have been diverted from their normal duties for any significant length of time.

Until the Recruiting Partnering Project reaches its full operating capability, the National Recruiting Centre has been reinforced by 119 additional civilian personnel and eight military personnel. Additional costs for this are being paid by the Department.

A number of other measures have been implemented to improve recruiting, and these are included to the response to Q13 above.

17. **We note the difficulties encountered by the Army in obtaining the medical data of potential Reservists due to their failure to comply with data protection regulations. Although this difficulty has at last been resolved, the Army and the MoD should have foreseen this problem and must learn lessons for the future. (Paragraph 80)**

The difficulties encountered in this area have not been due to data protection regulations; rather it has been due to difficulties in the provision of medical records of prospective recruits in good time, and in setting up a system to pay GPs promptly. The Department has worked hard with the Department of Health and the General Medical Council to address
the problems, including through the direct engagement of Min(DPWV) and the Surgeon General. This has helped speed up the process but we recognise that more needs to be done. We are looking at whether we can accept more risk on initial training, while individuals are going through the medical process. We are mindful of the need to ensure that our recruits are medically fit to undertake the rigours of military training and service, without wishing to make the system too cumbersome for all concerned.

18. We commend the MoD for employing a range of media to attract and recruit both Regulars and Reserves but it is no help when the technology does not work or applications are lost in the system. Lessons need to be learned from the initial failure of the contract with Capita, and the respective accountabilities and responsibilities of both the contractor and the Army clearly established. (Paragraph 81)

As stated in our response to Q15, the shortcomings experienced are due to the inability of ATLAS to deliver the necessary IT platform to allow Capita to succeed.

Roles and responsibilities between the Army and its partner are clear with some important changes having been made in recent months to ensure clarity for all. These changes include:

a) Demonstration of the continued commitment from Capita Board-level management;

b) The replacement of most of the Capita posts within Recruiting Group’s senior management team over the last four months including the MD, Commercial Officer, Finance Officer, Marketing Director and Operations Director. This has been conducted in a staged manner to ensure continuity. This gives us an opportunity to re-set the team for the interim operation and to incorporate fresh ideas and perspective;

c) The appointment of a Capita Attraction Director to improve coordination of national marketing with Regional operations;

d) Much clearer separation of roles between the RPP Project Manager, who will manage the remainder of the programme to Full Operational Capability, and the Partnering Support Team, who will undertake contract management.

At the end of June we produced a National Marketing Strategy. Following this, a new segmented media strategy, targeting key audiences such as students, women and ethnic minorities was developed and will be rolled-out over the coming months.

19. We welcome the measures in the Reserves White Paper and the related clauses in the Defence Reform Bill. We particularly welcome the Secretary of State for Defence’s agreement during the passage of the Bill to the principle of making it a statutory requirement for the Reserve Forces and Cadet Association to report annually on the state of the Reserves. We will continue to pay close attention to progress on this and look forward to receiving more details on how this will be implemented and what the report will cover. (Paragraph 94).

The Defence Reform Bill received Royal Assent in May 2014 and commencement is scheduled for 1 October 2014. The annual report will set out the Reserve Forces and Cadet Association’s view on the capability of the Reserves, with particular emphasis on fundamental issues such as recruitment, retention and the mental welfare of Reservists.
The first report was laid in the House before recess and we thank the CRFCA for their work in producing it.

20. We recognise the support many employers have given to the Reserve Forces over many years. We commend the Government’s intention to give greater recognition, building on the current SaBRE scheme and the new Corporate Covenant, to leading supportive employers of Reservists and look forward to receiving more information on this proposal. We recommend that as part of the recognition scheme the Government should publish additional information about supportive employers, building on the information already published by SaBRE on its website, highlighting good practice, and providing examples of the ways individual employers support Reservists. (Paragraph 95)

The Department is always seeking to publically recognise those supportive employers we work with every day. On 17 July this year, the new Employers Recognition Scheme was launched and a number of organisations were acknowledged for the outstanding support they have provided across a range of Defence personnel matters, particularly to Reservists. The Prime Minister recognised ten organisations from the private and public sectors—including two Small & Medium Size Enterprises—with Gold level awards. All of these organisations employ Reservists, have made specific pledges through the Corporate Covenant to support Defence and were selected from nominations received. The launch of this scheme meets a commitment made in the Reserves White Paper.

The Employer Recognition Scheme is accessible online and, once it is fully operational, will use a tiered approach for awards. At the Bronze level, employers are able to state their intent to support Defence, the regional Silver level recognises employers who actively demonstrate support and, at the highest national level, the Gold awards recognise those who have become advocates. A dedicated website (www.gov.uk/mod/employer-recognition) supports the Employer Recognition Scheme, allowing organisations to declare their support at Bronze level and for nominations to be made for both Gold and Silver awards.

A number of regional Silver award events will be held in the autumn of 2014, to recognise nominated organisations for the levels of support they are demonstrating towards Defence.

The ten employers recognised by the Department with Gold level awards are listed on the website as the initial award recipients. There is a wide range of support for the Armed Forces across the full breadth of UK employers. Using the online nomination facility these employers can be recognised in future years at both the national and regional level through our annual Employer Recognition Scheme events.

21. It is too early to say whether the measures in the White Paper and the Defence Reform Bill will prove sufficient and be effective in encouraging the recruitment of Reservists and ensuring the support of businesses of all sizes to achieve Army 2020. We welcome the Secretary of State for Defence’s commitment to review these measures if recruitment falls behind target. In response to this Report, the MoD should set out how it will assess the effectiveness of the measures and the timescale for making a decision on whether further action and incentives are necessary. (Paragraph 96)
The effectiveness of measures taken to drive recruitment is reviewed on a constant basis. The Department examines data from periodic polling of the public and the main target audience to measure attitudinal trends. We also monitor the trained strength, recruitment and retention figures. All of this information is carefully reviewed to determine what, if any, further action is required to maintain progress towards recruiting targets. In June we published the results of the first Reserves continuous attitude survey and this, with future surveys, will help us to monitor the effect on retention of the measures we are taking.

As the Committee is aware, the Department has introduced a numbers of measures aimed at attracting more people to join the Reserve Forces. The MoD plans to evaluate the impact of specific measures, including the new financial incentives that were introduced in April, at six to twelve month points.

In addition to this monitoring programme, the Defence Secretary chairs monthly meetings about the Reserves and the Permanent Secretary and Vice Chief of the Defence Staff chair a monthly Programme Board, which is driving the delivery of the Future Reserves 20 programme within Defence. The Secretary of State’s meetings and the Programme Board provide the opportunity to consider, evaluate and, if necessary, direct further measures across the Services to ensure Reserve recruitment targets are met.

22. We welcome the Government’s intention that in future Reservists, where appropriate, will be able to undertake the same tasks as Regulars. However we note the concerns expressed by some employers regarding the potential for negative effects on their businesses arising from the increased use of Reservists. The MoD should continue to engage with the business community to address employers’ concerns as failure to do so will impact on the Army’s ability to generate and sustain the necessary capabilities. The MoD should include in its reports to Parliament on Reserves recruitment details of how many are employed by SMEs (small and medium enterprises employing fewer than 250 employees) and any difficulties encountered in recruiting from this sector. (Paragraph 103)

We understand employers have unique needs and there are real challenges in a tough economic climate, particularly for Small and Medium Enterprises. We are working closely with them to make things easier for them so they know who their Reservists are and can plan ahead for training and mobilisations. Commanding Officers will write to their employers each year, providing them with information about training that will be taken in that year, and giving 12 months’ notice if their employee is moving to a high readiness state. This will allow the employer plenty of time to plan for their employees’ Reservist commitment.

The Department wants to ensure employers of small and medium sized organisations are supported when a reservist is mobilised. A payment of up to £500 per month per reservist for Small and Medium Enterprises has been introduced, and will be paid on a pro-rata basis for days mobilised in the month. (This is a measure in the Defence Reform Act 2014, which will commence in October 2014). This is an incentive payment and will address some of the issues that Small and Medium Enterprises face.

The Defence Relationship Management team was set up in April 2014, meeting the promise made in the Reserves White Paper to create a national relationship management
organisation, at the request of employers. When at full capacity, the organisation will be a single point of access for up to 200 key national companies on defence personnel issues, with its main priority being employer support for Reserves. It will also deliver other Defence employer initiatives, for example the ongoing SaBRE campaign which provides information and support for Reservists and employers. We will consider releasing further statistical information as part of the work mentioned at Q14.

23. We note the Army’s intention to deploy formed units and sub-units of Reserves. We ask the MoD to provide greater detail on how this will be implemented, particularly given the differing timescales for the reduction in Regular strength and the increase in the size of the Reserves, and how it will ensure that these changes deliver the required level of capability. (Paragraph 108)

The deployment of formed elements from the Army Reserve will depend on the size and duration of a particular operation. Given the demanding readiness at which the Reaction Force will be held, its Reserve contribution will be limited to individuals and predominantly Combat Service Support force elements up to sub-unit level.

The generally lower state of readiness at which the Adaptable Force will be held allows the Army Reserve to provide greater support to Regular Combat, Combat Support, Command Support and Combat Service Support units when they deploy, through the provision of individuals and sub-units to their paired Regular units. The nature of a particular task will drive the actual force elements chosen and so, for less complex tasks, a Reserve unit could form the basis of the deployed unit, with its paired Regular unit providing augmentation.

Throughout the transition to Army 2020 structures, the Army will continue to deliver its standing commitments such as Cyprus and the Falkland Islands and will continue to be able to generate forces for other tasks as required. There will inevitably be a difference between the way in which capability is delivered during this transition period and how it will be delivered following the full implementation of the new structures by 2018. Reserve units have been provided with the equipment which they need to bring them to the required level of capability as soon as possible.

24. We welcome the increase in the number of training days for Reservists as this is vital to their greater integration with Regulars. In its response to this Report, we call on the MoD to set out what further practical measures will be implemented to enable Regulars and Reservists to train together. We are concerned that this should not involve closing well-recruited units, or those with a large number of potential new recruits to the Reserves, to match Regular basing and welcome the Secretary of State’s commitment in the House of Commons on 14 January 2014 to be flexible on the closure of such units. (Paragraph 109)

Within Army 2020, integration is the activity that will foster shared values, common goals, trust and interdependency between Regulars and Reserves at all levels. It is based on the principle of harmonising policies and regulations to create a single culture. This will be implemented over time.

The Army 2020 Formation Operational Readiness Mechanism will be implemented in January 2015 and will formally integrate Regular and Reserve units for the full range of activities through the pairing mechanism. Pairing is the formal partnership, spanning the
conceptual, moral and physical components, between specified Regular and Reserve units. Examples where this has already begun include: coherent paired units’ activity programmes, including overseas exercises, adventurous training and in-barracks conceptual training and development; administrative efficiencies; sharing best practice and resources; effective links to local communities; exchanges; combined social events; and sport.

The Army Reserve future laydown was based on a number of criteria, which included the ability to recruit and train. Manpower is only one aspect of capability, which also requires Reserve forces to train with the Regular units with which they will deploy. Access to the right equipment at the right time is also a vital aspect, as is a sustainable estate footprint. The reduction in Reserve liability from around 36,500 to around 30,000 necessitated a structural review, which had at least as much of an impact on the laydown of the Reserve as pairing and training.

Following the Secretary of State’s commitment in the House of Commons on 14 January 2014 to be flexible on Reserve basing, Commander Land Forces asked all Reserve Commanding Officers to seek ways to unlock local potential, including retaining sub-units and detachments for longer than anticipated under the announced plan and to develop more local pairing arrangements where required. Commander Land Forces has subsequently approved a number of minor changes to the reserve structure announced in July 2013. Further changes are being scoped, in consultation with the Chain of Command, and if agreed, will be announced in due course.

25. The role of specialist Reserves is invaluable to the Army and the UK’s Armed Forces as a whole: we welcome the commitment to them in the Reserves White Paper. We welcome the establishment of the Joint Cyber Reserve which is of particular interest to us given our previous inquiry work on Defence and cyber-security. The potential recruits, with the required skills, may not be those who would usually consider a career in the Armed Forces. This represents both a challenge and an opportunity for the MoD which will require a flexible approach if they are to be integrated effectively. We ask the MoD to report to the Committee in six months on progress on the establishment and the recruitment of the Joint Cyber Reserve. (Paragraph 112)

The Government welcomes the Committee’s support for the Defence effort to engage additional experts in order to defend against the growth in the cyber threat. The Joint Forces Cyber Group was formed in May 2013 to deliver Defence’s cyber capability and will include the Joint Cyber Unit (Reserve) as its Reserve component. The Unit provides support to the Joint Cyber Unit (Corsham), Joint Cyber Unit (Cheltenham), and other tri-service Information Assurance units. Its creation allows Defence to draw on individuals’ talent, skills and expertise gained from their civilian experience to meet cyber threats. Building upon the significant interest already generated in both the private sector and those leaving the Services, the next two years will see the Cyber Reserve fully operational, with personnel recruited, trained, and operating alongside their Regular and civilian colleagues in the Joint Cyber Units. The Unit represents a significant uplift in the number of Reservists employed in cyber and Information Assurance; however, detailed information on the numbers involved is not provided in the interests of security.
As well as attracting those who work in cyber-related companies, the Cyber Reserves have attracted a wide-spectrum of society including Service Leavers, Government Departments, Academia, private sector and individuals with backgrounds not normally associated with the Armed Forces. The Cyber Reserve continues to attract interest and applications from all areas and we are continuing to successfully recruit. To date, MoD has attracted high-calibre applicants: individuals who have the ability and desire to play a key and unique role in promoting the UK’s cyber security while having the opportunity to be part of a proud history and ethos of either the Royal Navy Reserve, Army Reserve, or RAuxAF. Being more flexible with eligibility criteria has attracted those who could not have been considered previously, or may not have volunteered in the past. We have been able to accept individuals based on their talent, skills and expertise to meet cyber threats. All applicants to the Cyber Reserves are selected on merit and Cyber Reserves remain subject to the same vetting process as other members of the Ministry of Defence.

The Ministry of Defence will provide an update to the Committee in six months on progress in this area.

26. We support the Government’s intention to recruit more ex-Regulars into the volunteer Army Reserve as part of the recruitment of 30,000 trained Reservists under the Army 2020 plan. We note the £5,000 commitment bonus, payable over four years, offered by the Army to Service leavers and ex-Regulars to incentivise their transfer to the volunteer Army Reserve. We call on the Government to review effectiveness of its efforts and the measures introduced to attract more ex-Regulars into the volunteer Army Reserve in six months and to share its findings with us. We also note the Army’s work on the Regular Reserve and call for an update on this work in the Government’s response to our Report. (Paragraph 116)

The Department is pleased that the range of initiatives which have been implemented to encourage ex-Regular inflow (and subsequent retention) are having a positive impact on Reserve recruiting. The Army intends to examine the initial impact of the financial incentive measures in September 2014 (following the production and analysis of the Quarter 1 manning data) with more detailed work being done following the Quarter 2 data release in November.

   a) In FY 13/14 1050 ex-Regulars joined the trained strength of the Army Reserve; this exceeds the set target (757) and is above the FY12/13 figure (615);

   b) The TA Commitment Bonus Early Years scheme, available from April 13 for ex-Regular soldiers and junior officers to encourage inflow, has had (as at 14 March 2014) a total of 608 personnel accepted onto the scheme against the originally funded target of 631. The enhanced scheme (which was announced in April 2014, but backdated to January 2014) has seen further applications;

   c) The increased value of the (newly-named) Reserve Commitment Bonus to £10,000 for ex-Regular Junior Officers (Capts and below) and Other Ranks is intended to incentivise the recruitment or direct transfer of the increased numbers required for FY 14/15 (1,300);
d) The parallel scheme of Reduced Commitment for ex- Regulars may also be having an effect but it is not feasible to gather data on the numbers who have taken up this scheme as it is a local arrangement at unit level;

e) Through pairing, support to the recruiting effort and mobilisation of Reserves for operations, Regular soldiers have greater awareness of service with the Reserve;

f) Support Command and Garrisons have included briefings and displays in transition fairs delivered for soldiers entering the last two years of service;

g) Reserves information has been made available during Career Transition Partnership ‘virtual’ employment fairs. These fairs regularly include a display and representation on Reserve skills and units available in the area;

h) Career Transition Workshops now contain a specific brief about the benefits available through Reserve service;

i) Regular Unit Regimental Career Management Officers brief all Service Leavers and Commanding Officers include the ‘offer’ in their final interview/letter as soldiers depart;

j) Redundancy notices contain information on the benefits of Reserve service;

k) The Service Personnel and Veterans’ Agency includes the Reserves offer in the paperwork delivered to all service leavers;

l) Recruiting Group advertises in civilian magazines targeting resettlement training and opportunities for Service Leavers;

m) Military in-house publications contain advertisements for the Reserves. Regimental magazines are encouraged to support the recruiting effort for their Regimental Reserve.

27. We support the Army 2020 plan for an enhanced role for the Army in civil engagement. Although there is great admiration and respect for UK Armed Forces, we recognise that there is currently a disconnect between the Armed Forces and public understanding of the operations they have been asked to undertake. This must be addressed. We call on the Government to take steps to ensure that the Armed Forces, particularly Reservists, play a more active role in public engagement. In response to our Report, we recommend that the Government outline the communication strategy and practical steps it will implement to take forward its plans for public engagement. (Paragraph 119)

The Department has taken many practical steps to ensure the continued presence of its personnel in public engagement. This type of activity has been undertaken for many years. Civil Engagement is the responsibility of all Armed Forces personnel and every time a soldier or officer appears in public in uniform, they are conducting a form of civil engagement. However, the Department recognises the disconnect between public perception and reality with regard to operations and more widely.

Engagement across the country is typified by broad representation such as homecoming parades, Armed Forces Day, regional military shows and post operational presentations.
Focused regional engagement by Regulars and Reserves with local employers, health providers, local enterprise partnerships and local authorities continue to keep the Army and the Armed Forces in the public conscience. For the Army, civil engagement has become more co-ordinated and focused since the formation of Support Command in 2011.

The advent of Army 2020 and in particular the creation of the Adaptable Force presents many public engagement opportunities and will unify the command of the Reserves and Regular Army in a manner that is absent presently. The Army is in the process of reviewing its civil engagement strategy and priorities accordingly, with the aim of closing the gap between public perception and reality.

It is particularly important that the Services ensure that reflections on the withdrawal of troops from Afghanistan do not underplay the achievement in that theatre of operations. The Army is very focused on this. The upcoming commemorations of the First World War will provide an important opportunity for Defence. The Army has enacted a specific operation to ensure appropriate commemoration and also engagement with the nation, notably engagement with youth, those not in education, employment or training and of course the Cadet movement.

28. We welcome the £1.8bn additional investment in the Reserves, but call upon the Government to provide us with a breakdown of how it plans to spend this money. We note the concerns expressed as to whether this funding will be sufficient to achieve the desired outcomes for the Reserves Forces. We note that Reservists are cheaper to employ so long as they are not called up. This will only prove to be a cost saving so long as future governments are not required to undertake operations. This will need to be closely monitored. It would be unacceptable if the UK decided not to take part in any action because of the cost of deploying Reservists. We recommend that the Government set out in detail how it will assess and report on the cost effectiveness of, and the value for money achieved by, its plans and how these outcomes will be independently examined and verified. We would welcome the involvement of the National Audit Office in this evaluation. (Paragraph 125)

The Department developed its cost estimates on the basis of peacetime costs, on the assumption that the Treasury would fund the use of Reserves on operations in line with existing Government policy. This is because the Department is funded to generate Armed Forces ready for operations, and the extra costs of any military operations are currently met from a range of cross-Whitehall funding sources, including the Conflict Pool and HM Treasury Special Reserve. Relying more on Reserves will help the Department to make substantial savings on its staffing budget, but if Reserves are used on operations there might be some increase in costs for the Treasury for the duration of those operations.

Under the future Army Reserves structure, Reserve Units will move round a training and readiness cycle. The structure is designed to sustain a worst-case cycle of up to one six month deployment in any five year period. The figure used for the purposes of the Impact Assessment was the deployment of 3,000 Reserves per annum, a figure 20% (500 deployments per year) above the status quo. This was deemed to be the “high probability” figure; all other options (the status quo, and 1,000 and 2,500 extra deployments) were all classified as “low” or “very low” probability. It is, of course, difficult to make assumptions
about specific future conflicts, but the proposed size and shape of the future Armed Forces is based on the assumptions underlying the Strategic Defence and Security Review.

The additional £1.8 Billion has been allocated to the three Services, Joint Forces Command and the MoD Centre, across a 10-year period. It is being used to increase and develop the trained strength of the Reserves and to enhance their capability, including increased spending on: recruitment, retention, enhanced training at all levels, improved infrastructure and additional and better equipment. Of this funding, around £550M is allocated to cover the planned increase in Reserves manpower, £240M is earmarked for investment in training for all three Services, £207M is planned to be spent on equipment, nearly £50M is aimed at managing and improving the relationship with the employers of reservists. The bulk of the remaining funding, some £600M, has been used to restore previously planned reductions in investment in the Reserves, which predated the report of the Independent Commission.

29. We note the evidence we have received on the recruitment age for the Armed Forces. We commented on this in our Report on the education of Armed Forces personnel and in response the Government agreed that the Armed Forces would undertake a cost benefit analysis of the recruitment of under-18s. We note that the Army is undertaking this analysis on a tri-service basis and that the work is continuing. However, we are disappointed by the lack of clarity regarding the study’s terms of reference and the slow progress with the study. We call on the Government to provide us with the terms of reference for the study and an estimation of when it will be completed. We expect the Army and MoD’s cost benefit analysis to be thorough and robust and call on the Government to set out how it might be independently scrutinised and verified. This would ensure confidence in the outcomes of the analysis. We also call on the Government to respond in detail to the argument that the Army could phase out the recruitment of minors without detriment to the Army 2020 plans. (Paragraph 130)

The Defence Secretary has recently written to the committee on this issue (see Appendix B). His letter outlined the findings of the study, including that these entrants currently provide 15% of the Army’s inflow requirement. Clearly, any potential loss of this manning pool would have a considerable effect on the Army’s ability to provide the manpower envisaged in Army 2020. It is also worth considering the value of Junior Entrant training to the individual and society. As the Committee is aware, many Junior Entrant recruits join with minimal educational qualifications, at GCSE level or otherwise; the educational focus offered by Army training allows some 85% to leave initial training with Level 2 qualifications in literacy and numeracy. In addition, from day one every single recruit will begin an infantry apprenticeship, later graduating towards specific trade apprenticeships. It remains Government policy that no under-18 will be deployed into a hostile environment.

30. The plans resulting from the basing review and the return from Germany are intricate and interdependent and affect all three Services. The MoD must ensure this process is managed appropriately so that it does not unravel. We call on the MoD to keep us informed on its negotiations regarding training opportunities in Germany, Canada and Kenya, and how the historically close working relations with the German authorities are going to be maintained during the drawdown period. (Paragraph 137)
The Army has a dedicated team, headed by a Senior Civil Servant and reporting to a newly created 2* General appointment responsible for ensuring that the Army’s element of the wider Defence basing plan is delivered. The team is actively managing the dependencies and milestone deliveries of related programmes such as Army 2020 and Future Reserves 20. The Army Basing Programme is subject to validation and assurance reviews from both within MoD and externally by the Major Projects Authority.

The UK and Germany have a close, pragmatic and long standing Defence relationship; Germany is a long-standing friend of the UK and Ministers are looking for ways in which to deepen the relationship across Government. The MoD is committed to withdrawing British Forces in an orderly and timely manner, and sustaining our historically close working relationship with German authorities both during the drawdown period and beyond. The MoD manages that relationship at a number of levels, through: ministers and officials in the UK; the Defence Attaché in the British Embassy in Berlin; and the General Officer Commanding British Forces Germany, other regional British Commanders and a network of in-country specialist liaison officers. Collectively, they keep German authorities informed on the MoD’s activity in Germany, including drawdown plans. The Defence Infrastructure Organisation and our in-country legal team liaise with their German counterparts to support them to find alternative uses for the facilities that will be vacated by the British Forces.

While it is true that the German authorities will be sorry to see the British Forces leave, they understand our reasons for doing so and are working closely with us to ensure the transition is as smooth as possible. The Government is grateful for that support.

No decision has yet been taken on the future use of training facilities in Germany, but the Army continues to train in Canada, Kenya and elsewhere and maintains close relationships with those countries and their Armed Forces. The ongoing use of Kenya for training depends on continued stability within the country and the successful conclusion of a new Memorandum of Understanding, to replace the existing one which expires in April 2015.

31. We are concerned that the Army 2020 plan would unravel in the face of any further MoD budget reductions or further reductions in Army personnel. It is essential that the MoD’s budget settlement allows for the delivery of Army 2020. If this is not the case, it must be accepted that the Army will be capable of doing less than envisaged under Army 2020 and the UK’s vision of its place in the world and the Defence Planning Assumptions will have to be revised accordingly. We are also concerned about the Army’s capability to expand its numbers rapidly, both Regulars and Reserves, should a national emergency require it to do so. Any plans for the structure of the Armed Forces must be flexible enough to adapt to rapidly changing circumstances. For the reasons already set out in this Report we have little confidence in the Government’s capacity to rapidly expand Army numbers should the need arise. The Government must set out its contingency plan for doing so. (Paragraph 142)

The Government remains committed to an Equipment Plan growing at 1% a year in real terms after the next Spending Review.

Defence cannot operate outside the context of the economic health of this country, and a Strategic Defence and Security Review must balance strategic and fiscal perspectives to find
a sustainable solution for Defence. The budget for Defence will be decided under the next Spending Review, in consultation between departments.

A key tenet of our Defence posture is to be flexible and adaptable to meet the UK’s strategic objectives. This includes financial flexibility, and we have shown how resilient we are when the financial means available to Defence change unexpectedly. But our ability to meet our strategic ambition is not solely related to our financial resources. Though we plan to spend £160 billion over the next ten years on state-of-the-art equipment, and to regenerate the Armed Forces for the requirements of the post-Afghanistan defence and security environment, in the last Strategic Defence and Security Review we also said that closer cooperation with allies and partners would be increasingly important to our security and prosperity. We are increasing the depth and breadth of our co-operation with our key allies to improve our policy and strategy alignment, and interoperability to ensure we can work increasingly effectively together and deliver greater effect from our respective defence budgets. We continue to develop our relationships with new international partners to enhance our global influence.

Any significant future budget reductions, which cannot be absorbed by non-front line savings alone, do, however, run the risk of impacting our strategic ambitions.

We note the Committee’s concern about the Army’s ability to expand its numbers rapidly. In the event that there is an urgent requirement for extra manpower, the Army could draw upon the Regular Reserve, which is a pool of around 30,000 qualified and experienced individuals who have relatively recently left regular service.

32. Army 2020 represents a radical vision for the future role and structure of the British Army. It departs significantly from the announcements made in SDSR 2010 and we have considerable doubts about how the plan was developed and tested, and whether it will meet the needs of the UK’s national security. The evidence presented to date has been far from convincing. Our principal concerns are twofold:

- First, the MoD has failed to communicate the rationale and strategy behind the plan to the Army, the wider Armed Forces, Parliament or the public.

- Second, we remain concerned that the financially driven reduction in the numbers of Regulars has the potential to leave the Army short of personnel particularly in key supporting capabilities until sufficient additional Reserves are recruited and trained. (Paragraph 143)

The Department does not accept the Committee’s points.

The last National Security Strategy and Strategic Defence and Security Review confronted the issues facing Defence and National Security in 2010. It articulated a clear over-arching vision to build Britain’s prosperity, extend our nation’s influence in the world and strengthen our security in the face of the changing strategic environment and risks to our security. Recognising our national security depends on our economic strength, and vice versa, it set out strategic objectives of ensuring domestic security and resilience, and shaping a stable world.
The rationale and strategy behind Army 2020 has been communicated clearly to the Army, the wider Armed Forces, Parliament and the public through announcements in Parliament, media engagement and internal briefings. While we accept that there is always more that can be done to communicate our strategies and plans, we believe that a considerable amount has already been done, particularly in terms of communicating with our own people.

The Department accepts that there are some risks involved in manning and recruiting. We are content that the building blocks are now in place to produce the required results. This is a plan for 2020. We have never expected the required numbers to be reached immediately and it is inevitable that there will be a transitional period, particularly as it was important to proceed quickly with the redundancy programme both to remove uncertainty for individuals and to enable progress to be made as quickly as possible with the structural changes required.

As far as the case for greater use of the Reserves is concerned, we believe that Members of Parliament, and Parliament as a whole, also have an important role to play in shaping public perceptions around the case for Reserve service.

The public shows great interest in understanding the role of the Armed Forces in the contemporary strategic environment. Armed Forces Day attracts wide support nationally and TV programmes in recent years, like ‘Our War’, the documentary about operations in Afghanistan shown on BBC 3 in 2011, have attracted record audiences and reviews across a broad section of British society, particularly amongst younger audiences.

With the focus on operations in Afghanistan, we have put great effort in recent years into communicating the broader role of the Armed Forces and Defence. The 2010 Strategic Defence and Security Review connects the plan to develop Future Force 2020—the requirement for an adaptable, sustainable future posture able to project power, build stability through upstream engagement, and work with allies—to the broad range of tasks required to mitigate the strategic risks the UK faces, as set out in the National Security Strategy.

Much of the wider work Defence does—contributing to UK national interests and prosperity, and building stability—is well reported. Our support to humanitarian efforts in the Philippines after Typhoon Haiyan was widely reported and the visits of HMS Daring to South East and East Asia, supported the building of Defence links and UK prosperity with powers in the region. More recently, the military contribution to flood relief in the UK has received wide and positive coverage, raising our public profile in a UK contingencies role.

In addition we report to Parliament, and publicise in the media, a broad range of routine activity—supporting the French with airlifts into the Central African Republic, evacuation of UK nationals from South Sudan, routine deployments to assure the security of overseas territories, counter narcotics patrols in the Caribbean, our contribution to multinational counter-piracy operations off the Horn of Africa, and most recently our efforts to support the search for the missing Malaysian airliner. This is about preventing terrorism, building stability, and supporting UK prosperity and interests.

33. The Government has said Army 2020 has to work and that there is no Plan B. The Government owe it to the Army to ensure it does work, but, crucially, if the situation
changes, then the Government must be prepared to respond decisively by providing additional resources in order to guarantee the nation’s security. Although we have concerns about the Army 2020 plan, we recognise that it also provides opportunities, for example in addressing the role of Reservists and developing the public defence engagement role of UK Armed Forces which will help to resolve the current disconnect between the Armed Forces and the public. (Paragraph 144)

We welcome the Committee’s support for our plans to enhance the role of Reservists and to develop greater levels of engagement between the Army and the general public. The Government is putting significant effort and resource into ensuring the successful implementation of Army 2020. Significant progress has already been made in putting the new structures in place; the re-basing programme is under way; and, as explained elsewhere in this response, there is significant focus on achieving our targets on Reserve recruitment.

34. While we welcome the Government's commitment to publish more data on the Reserves and to put into statute a requirement on the Reserves Forces and Cadets Association to produce an annual report on the state of the Reserve Forces, we believe the Government should go further and give a commitment to provide regular updates to Parliament on progress on all aspects of the Army 2020 plan. Oral and written statements while helpful are not sufficient; a detailed annual report on the Army’s Fighting Power should be laid before Parliament setting out progress and setbacks in implementing the Army 2020 plan. The first of these reports should be laid before Parliament in January 2015 to allow consideration and debate before the 2015 General Election and to inform the 2015 SDSR. (Paragraph 145)

As stated in the Department’s response to the HCDC Report Towards the next Defence and Security Review: Part One Government Response to the Committee’s Seventh Report of Session 2013-14 (HC 197), we will explore the method behind an assessment of ‘Fighting Power’ and if a measure is both feasible and useful, although there are no current plans to publish any such analysis.
Appendix B

Letter from Rt Hon Michael Fallon MP, Secretary of State, Ministry of Defence

You will shortly receive our revised response to your Committee’s Army 2020 report. Within this, we mention the work that I asked the Adjutant General to carry out into the cost effectiveness of recruiting under-18s. I thought you would welcome an update on our conclusions.

In terms of training, the cost per recruit for the Junior Entrant 52-week course is £67K, and £38K for the 26-week course. The Standard Entry (over-18s) course (14 weeks) costs £21K per recruit. However, retention of under-18s is better, with the mean length of service for a soldier who joined under 18 being approximately three years longer than a soldier who joined when over 18. Accordingly, a Junior Entrant’s greater length of service means that, over a longer period, the Army has to recruit and train fewer numbers of people, which ultimately provides a marginal saving for Defence.

Aside from the value for money considerations, it is also worth considering the value of Junior Entrant training to the individual and society. Many Junior Entrant recruits join with minimal educational qualifications, at GCSE level or otherwise; the educational focus offered by Army training allows some 85 per cent to leave initial training with Level 2 qualifications in literacy and numeracy. In addition, from day one every single recruit will begin an infantry apprenticeship, later graduating towards specific trade apprenticeships. It is clear to me that joining the Armed Forces is an extremely valuable option for an individual.

In addition, Junior Entrants provide around 15% of our annual Army inflow and are seen as a critical capability to Defence; any reduction in the size of the Junior Entrant cohort would have a considerable effect on the Army’s ability to provide enough manpower to support the Army 2020 requirement.

This cost effectiveness study and our assessments of the value of joining for the individual and for the Army, coupled with the central policy position of the Government that soldiers under 18 will not be deployed into combat, leads me to conclude that the scheme provides a highly valuable, vocational training opportunity for those wishing to follow an Army career. I intend for the scheme to continue.

1 August 2014